UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	
CYRUS II, LP	§	CASE NO. 05-39857-H1-7
BAHAR DEVELOPMENT, INC.	§	(Jointly Administered)
MONDONA RAFIZADEH, et al.,	§	
	§	
Debtors	§	Chapter 7
	§	

RODNEY D. TOW,	§	
AS THE CHAPTER 7 TRUSTEE FOR	§	
CYRUS II, L.P., et al	§	
	§	
Plaintiffs	§	ADVERSARY PROCEEDING
	§	NO. 07-03301
VS.	§	
	§	
SCHUMANN RAFIZADEH, et al	§	
	§	
Defendants	§	

RESPONSE OF WELLSPRING SOURCING, CO., LIMITED TO PLAINTIFFS' MOTION REQUESTING ENTRY OF DEFAULT AND ISSUANCE OF DEFAULT JUDGMENT (DOC. NO. 516)

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

WELLSPRING SOURCING CO., LIMITED, ("Respondent"), specially appearing herein subject to and without waiving its Motion to Dismiss for Insufficiency of Process and Service of Process filed on April 24, 2008 (Doc. No. 538), responds to Plaintiffs' Motion Requesting Entry of Default and Issuance of Default Judgment Against Wellspring Sourcing, Inc. ("Motion for Default") (Doc. 516) and would respectfully show the Court the following:

I.

Incorporation by Reference of Motion to Dismiss

1. Respondent filed its Motion to Dismiss pursuant to Fed. R. Civ. P. 12(b)(4) and (5) on April 24, 2008 (Doc. No. 538). The Motion to Dismiss rebuts all bases for entry of default alleged in Plaintiffs' Motion for Default.

2. Respondent incorporates herein by reference its Motion to Dismiss in response to Plaintiffs' Motion for Default.

II.

Rule 8 Responses to Motion for Default

3. Respondent denies Paragraph 1 of the Motion for Default.

4. Respondent denies Paragraph 2 of the Motion for Default.

5. Respondent admits Paragraph 3 of the Motion for Default.

6. Respondent admits Paragraph 4 of the Motion for Default.

7. Respondent admits that the Original Complaint in the above-captioned adversary proceeding was filed on June 21, 2007, but otherwise denies the allegations of Paragraph 5 of the Motion for Default.

8. Respondent denies Paragraph 6 of the Motion for Default.

9. Respondent denies Paragraph 7 of the Motion for Default.

10. Respondent denies Paragraph 8 of the Motion for Default.

11. Respondent denies Paragraph 9 of the Motion for Default.

12. Respondent denies Paragraph 10 of the Motion for Default.

13. Respondent denies the substance of the allegations of the affidavit of Alexander Morris Davidson attached as Exhibit 5 to the Motion for Default.

14. Respondent denies Paragraph 12 of the Motion for Default.

15. Respondent denies Paragraph 13 of the Motion for Default.

16. Respondent denies Paragraph 14 of the Motion for Default.

17. Respondent denies Paragraph 15 of the Motion for Default.

WHEREFORE, PREMISES CONSIDERED, Wellspring Sourcing Co., Limited respectfully prays that all relief requested in Plaintiffs' Motion for Default be denied.

Respectfully submitted,

BARNET B. SKELTON, JR., P.C.

By /s/ *Barnet B. Skelton, Jr.*
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ATTORNEY FOR WELLSPRING
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CERTIFICATE OF SERVICE

I hereby certify that the foregoing instrument was filed electronically on June 4, 2008 in compliance with Local Rule LR5.3. As such, this response was served on all counsel of record who are deemed to have consented to electronic service. Pursuant to Fed.R.Civ.P. 5(d) and Local Rule LR5.3, all other counsel of record not deemed to have consented to electronic service were served with a true and correct copy of the foregoing instrument by U.S. First Class Mail and/or facsimile on the 4th day of June, 2008.

/s/ *Barnet B. Skelton, Jr.*
BARNET B. SKELTON, JR.